

Message Text

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10

ACTION EA-10

INFO OCT-01 ISO-00 PM-03 NSC-05 SP-02 SS-15 CIAE-00 INR-07

NSAE-00 EB-07 L-02 AID-05 IGA-01 (ISO) W

----- 019463

R 220757Z MAY 75

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC 4552

INFO SECDEF WASHDC

CINCPAC HONOLULU HI

CINCPACAF HICKAM AFB

CDR USARMY PROC ACTIVITY FT SHAFTER HI

CDR USACC FT HUACHUCA AZ

COMUSMACTHAI BANGKOK

C O N F I D E N T I A L BANGKOK 9344

E.O. 11652: GDS

TAGS: MARR, TH

SUBJECT: THAILAND FACILITIES MAINTENANCE CONTRACTS

REF: A) STATE 7791

B) BANGKOK 6783

C) STATE 86353

D) STATE 12418

SUMMARY:

RTG ADVISED OF TRANSITION TO IN-HOUSE OPERATIONS.
AT SAME TIME WE RECEIVED MFA NOTE DENYING REQUEST
FOR BLANKET TAX EXEMPTION FOR DOD CONTRACTORS. ACTIONS
HAVE BEEN INITIATED FOR TRANSITION. TAX EXEMPT STATUS
OF TECH REP CONTRACTS APPEARS TO BE SALVAGED. END SUMMARY.

1. ON 15 MAY 1975 LETTERS WERE SIMULTANEOUSLY DISPATCHED
TO UNDER SECRETARY OF STATE OF THE MINISTRY OF
FOREIGN AFFAIRS PHAEN WANNAMETHI FROM THE DCM AND TO
GENERAL KRIANGSAK FROM THE POMIL COUNSELOR ADVISING THAT
BECAUSE OF THE LACK OF TIME TO DO OTHERWISE AND THE FAILURE
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OF THE RTG TO GRANT THE REQUESTED TAX EXEMPTION DOD AGENCIES

IN-COUNTRY HAD TO INITIATE THE TRANSITION TO IN-HOUSE OPERATIONS FOR FACILITIES MAINTENANCE SERVICES. ATTACHED TO BOTH LETTERS WAS A COPY OF A FACT SHEET THAT SPELLED OUT IN GENERAL TERMS THE DETAILS OF THE IN-HOUSE PLANS AND THEIR EFFECT ON PERSONNEL MANNING. COPIES OF THE LETTER AND FACT SHEET WILL BE POUCHED TO EA/TB.

2. BY NOTE NO. 0303/19622, DATED THE SAME DAY, MFA ADVISED US "THAT, DUE TO THE ENORMOUS LEGAL AND ADMINISTRATIVE PROBLEMS WHICH WOULD BE INVOLVED, IT (THE RTG) IS NOT IN A POSITION TO ACCEDE TO ..." OUR REQUEST FOR TAX EXEMPTION FOR ALL FIRMS PERFORMING DOD AWARDED CONTRACTS IN-COUNTRY. A COPY OF THIS NOTE WILL ALSO BE POUCHED TO EA/TB.

3. THE AFFECTED DEFENSE AGENCIES HAVE ALREADY BEGUN TRANSITIONING ACTIONS. THE CURRENT CONTRACTORS ARE FULLY COOPERATING IN THE TRANSFER. THE DEPARTMENT OF THE ARMY IS MAKING ARRANGEMENTS TO HIRE SOME OF THE U.S. NATIONAL WORK FORCE OF BOTH AMPAC AND FEC IN ADDITION TO THE THAI LABOR FORCE. IN RESPECT TO THE FORMER, APPLICATIONS FOR OFFICIAL PASSPORTS HAVE BEEN PREPARED AND WILL BE HAND CARRIED TO WASHINGTON TO INSURE THAT THE PASSPORTS CAN BE OBTAINED PRIOR TO THE EXPIRATION OF THE LIMITED VISAS THESE EMPLOYEES POSSESS. THE VISAS ARE SCHEDULED TO EXPIRE AROUND THE SAME TIME AS THE CONTRACTS. AS TO THE THAI LABOR FORCE, THOSE HIRED BY DEFENSE AGENCIES WILL BE EXPRESSLY TEMPORARY TERM EMPLOYEES, NOT ELIGIBLE FOR A SECOND PAYMENT OF SEVERANCE PAY AT THE EXPIRATION OF THEIR TERMS.

4. AS INDICATED PREVIOUSLY, WE DO NOT ANTICIPATE ANY OBJECTION TO PROCEEDING IN THIS MANNER. THE TAX EXEMPT STATUS OF THE TECH REP CONTRACTS DOES NOT APPEAR TO BE IN JEOPARDY AND EVEN THEY WILL REDUCE IN NUMBER AS THE U.S. MILITARY DRAWDOWN PROGRESSES.

WHITEHOUSE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, TAX RELIEF, SERVICE CONTRACTS, DIPLOMATIC NOTES
Control Number: n/a
Copy: SINGLE
Draft Date: 22 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BANGKO09344
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750180-0262
From: BANGKOK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750525/aaaaavvj.tel
Line Count: 97
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 STATE 7791
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 23 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 JUL 2003 by CunninFX>; APPROVED <24 JUL 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
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EO Systematic Review
05 JUL 2006

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: THAILAND FACILITIES MAINTENANCE CONTRACTS
TAGS: MARR, TH
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006